Nasik People's Co-operative Bank

2131 SHRI SANJAY NIRUPAM Will the Minister of FINANCE be pleased to state

(a) whether RBI has imposed moratorium on the operations of the Nasik People's Co-operative Bank, recently,

(b) if so, the details thereof and the reasons therefor, and

(c) whether any action has been taken against the directors of the Bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S S PALANIMANICKAM) (a) and (b) Reserve Bank of India (RBI) has reported that it has not imposed moratorium on the Nasik People's Co-operative Bank Ltd , Nashik However, the bank was placed under directions since 4th June, 2004 under section 35A of Banking Regulation Act, 1949 (As applicable to Co-operative Societies), which was subsequently modified on June 23, 2004 The direction, *inter-alia*, restricts acceptance of term deposits, sanction/renewal of loans and advances, make any investment, incur liability, etc Withdrawal is allowed upto Rs 10,000/- Accepting fresh deposits in Savings Bank and Current accounts, subject to certain conditions is permitted The bank was placed under direction to arrest further deterioration in its financial position as revealed by the statutory inspection of the bank conducted by RBI and to prevent preferential treatment, which was required to protect the interest of the depositors

(c) The statutory inspection of the bank had revealed serious irregularities and deficiencies of the bank In view of this, the Commissioner of Co-operation and Registrar of Co-operative Societies (RCS), Maharashtra was requisitioned to supersede the Board of Directors in May, 2004 The Board was superseded and Administrator was appointed on June 5, 2004 The RCS was advised on 2 6 2004 to fix accountability in respect of staff, officials and Board Members involved in the mismanagement of the affairs of the bank and take appropriate action

Infrastructural development

2132 SHRI MANOJ BHATTACHARYA Will the Minister of FINANCE be pleased to state

(a) whether Government provided in the Budget of 2003-04 a major thrust to infrastructural development through innovative funding

mechanism,

(b) if so, the details thereof including the areas where such funding could be resorted to, and

(c) the extent of private partnership involved therein?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) (a) Yes Sir

(b) The Government of India would provide viability gap funding to the extent of 20% of the project cost for eligible projects taken up under public-private partnership This funding facility would be available to the projects in roads, railways, seaports, airports, power, water supply, sewerage and solid waste disposal in urban areas and international convention centres.

(c) It is stipulated that private equity in the entity taking up the project under this facility should at least be 40%

Credit for self-employment

2133. SHRI ANAND SHARMA.
PROF. ALKA BALRAM KSHATRIYA
SHRIMATI PREMA CARIAPPA

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India, in consultation with Indian Banks Association, has devised a mechanism to provide credit for self-employment to the people below poverty line e g. self-employed technicians, artisans, mechanics, semi-skilled labours, etc.; and

(b) if so, what are the broad features of the scheme, various criteria for coverage of borrowers and the time-frame for its implementation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM). (a) and (b) According to the information furnished by Reserve Bank of India (RBI), three schemes, namely, the Laghu Udhyami Credit Card Scheme (LUCC), Artisan Credit Card Scheme (ACC) and Swarozgar Credit Card Scheme (SCC) are being implemented to provide credit to self-employed technicians,, artisans, mechanics, semi-skilled labours etc. the broad features of which are indicated in the Statement (*See* below).